

FISCAL NOTE

SB 2795 - HB 3028

March 10, 2004

SUMMARY OF BILL: Revises the calculation of the net worth of an entity regulated by the Surface Transportation Board for the purposes of calculating franchise tax liability. Currently, tax liability is calculated based upon the greater measure of property or net worth. Under the provisions of this bill, tax liability would be measured based upon net worth.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - Exceeds \$6,100,000

Estimate assumes:

- The following types of entities would be affected by the provisions of this bill: rail, trucking, bus, moving company, shipping, inter-city passenger bus, pipeline, and other types of interstate and foreign commerce transportation businesses.
- According to 2002 franchise and excise tax data, over 1,500 transportation taxpayers would be subject to the tax liability changes specified by this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director

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